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By: **Delegate Feldmark** Introduced and read first time: January 15, 2021 Assigned to: Ways and Means

#### A BILL ENTITLED

1 AN ACT concerning

# $\frac{2}{3}$

## Public Financing Act – Matching Fund Revisions (Maryland Fair Elections Act)

4 FOR the purpose of requiring the Comptroller to distribute public contributions to a certain  $\mathbf{5}$ campaign finance entity established to receive public contributions for certain 6 eligible candidates; altering the frequency with which the Comptroller is required to 7 submit a certain statement to the State Board of Elections; requiring the State Board 8 to make a certain determination regarding the balance of the Fair Campaign 9 Financing Fund on or before a certain date in certain years; requiring the State 10Board to provide a certain notice to the Governor on or before a certain date under 11 certain circumstances; requiring the Governor to include a certain appropriation in 12the budget bill in certain years under certain circumstances; repealing certain 13 provisions of law regarding the raising of seed money by gubernatorial tickets in 14order to be eligible to receive a public contribution; requiring gubernatorial tickets 15to take actions before receiving public contributions from the Fund; authorizing 16certain campaign finance entities to accept only certain contributions and loans; 17establishing requirements that must be met to qualify as an eligible gubernatorial 18 ticket; establishing a qualifying period for gubernatorial tickets; repealing certain 19provisions of law governing campaign expenditure limits for gubernatorial tickets 20that accept public contributions from the Fund; requiring the State Board to 21 authorize distribution of money in the Fund on certification that certain 22qualifications have been met and not earlier than a certain date in a certain year; 23requiring the State Board to distribute public contributions from the Fund during 24the distribution period in a certain manner; establishing certain limits on the total 25public contribution payable to eligible gubernatorial tickets for certain elections; 26repealing certain provisions of law requiring that public contributions be distributed 27in a certain manner; prohibiting the State Board from distributing matching dollars 28for certain contributions and loans; requiring that an eligible gubernatorial ticket 29receive a certain proportion of a certain public contribution amount; authorizing a 30 gubernatorial ticket to withdraw under certain circumstances; altering the reasons 31for which public contributions may be spent to include an expenditure accompanied

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW. [Brackets] indicate matter deleted from existing law.



1 by a certain receipt; altering the time period within which expenses must be incurred  $\mathbf{2}$ in order to be paid using a public contribution; altering the time period within which 3 a certain part of a public contribution is required to be repaid; providing that certain 4 persons are civilly and criminally liable for the repayment of an unspent public  $\mathbf{5}$ contribution; requiring the State Board to authorize the repayment of certain money 6 to the General Fund of the State from the Fund under certain circumstances; 7 altering the provisions required to be included in certain regulations that the State 8 Board is required to adopt; requiring a person who violates a certain provision of law 9 in a certain manner to pay a certain civil penalty; providing that a certain infraction 10 is a civil offense; authorizing the State Board to impose a certain civil penalty for certain violations of law; establishing procedures for the issuance, service, notice, 11 12contents, and prosecution of a certain civil citation; providing for the amount and 13 payment of a certain civil penalty under certain circumstances; establishing certain 14provisions regarding a District Court proceeding relating to certain violations of law; 15requiring certain penalties to be distributed to the Fund; providing for the application of certain provisions of this Act; defining certain terms; altering certain 16 17defined terms and certain definitions; repealing certain definitions; making 18 conforming changes; and generally relating to the Public Financing Act.

- 19 BY repealing and reenacting, without amendments,
- 20 Article Election Law
- 21 Section 13–235

- 22 Annotated Code of Maryland
- 23 (2017 Replacement Volume and 2020 Supplement)
- 24 BY repealing and reenacting, with amendments,
- 25 Article Election Law
- 26 Section 15–102, 15–103, 15–104.1, and 15–106 through 15–111
- 27 Annotated Code of Maryland
- 28 (2017 Replacement Volume and 2020 Supplement)
- 29 BY repealing
- 30 Article Election Law
- 31 Section 15–104 and 15–105
- 32 Annotated Code of Maryland
- 33 (2017 Replacement Volume and 2020 Supplement)
- 34 BY adding to
- 35 Article Election Law
- 36 Section 15–104, 15–105, 15–108, and 15–113
- 37 Annotated Code of Maryland
- 38 (2017 Replacement Volume and 2020 Supplement)
- 39 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
- 40 That the Laws of Maryland read as follows:

1	13–235.		
2	(a)	This	section applies to the following officials:
3		(1)	the Governor;
4		(2)	the Lieutenant Governor;
5		(3)	the Attorney General;
6		(4)	the Comptroller; and
7		(5)	a member of the General Assembly.

8 (b) Except as provided in subsection (c), (d), or (e) of this section, during a regular 9 session of the General Assembly an official described in subsection (a) of this section, or a 10 person acting on behalf of the official, may not, as to a candidate for federal, State, or local 11 office, or a campaign finance entity of the candidate or any other campaign finance entity 12 organized under this title and operated in coordination with a candidate:

- 13 (1) receive a contribution;
- 14 (2) conduct a fund–raising event;
- 15 (3) solicit a contribution; or

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16 (4) deposit or use any contribution of money that was not deposited prior 17 to the session.

18 (c) An official described in subsection (a) of this section, or a person acting on 19 behalf of the official, is not subject to this section when engaged in activities solely related 20 to the official's election to an elective federal or local office for which the official is a filed 21 candidate.

(d) Under the Public Financing Act, a gubernatorial ticket, during the year of the
 election only, may accept eligible private contributions and any disbursement of funds by
 the State Board that is based on the eligible private contributions.

25 (e) An official described in subsection (a) of this section, or a person acting on 26 behalf of the official, may deposit a contribution during the legislative session if the 27 contribution was made electronically before the start of the session.

28 (f) (1) As to a violation of this section, the campaign finance entity of the 29 official in violation is liable for a civil penalty as provided in § 13–604.1 of this title.

(2) A civil penalty imposed under this subsection shall be distributed to the

	4	HOUSE BILL 424
1	Fair Campa	ign Financing Fund established under § $15$ – $103$ of this article.
2	15–102.	
3	(a)	In this title the following words have the meanings indicated.
4	(b)	"Comptroller" means the Comptroller of the State.
5 6 7		"Contribution card" means a document signed, including by ic signature, by a donor attesting that the contribution made aign is made with the personal funds of the donor.
8 9		(D) "Eligible gubernatorial ticket" means a gubernatorial ticket that receive a public contribution.
$10 \\ 11 \\ 12 \\ 13 \\ 14$	in–kind cont CONTRIBU	(E) "Eligible private contribution" means [that part of a monetary or tribution or series of contributions from an individual] A MONETARY PRIVATE FION FROM A REGISTERED VOTER that does not exceed \$250 IN THE E FOR THE ELECTION CYCLE AND IS ACCOMPANIED BY A CONTRIBUTION
15	[(e)]	(F) "Fund" means the "Fair Campaign Financing Fund".
16	[(f)] (	G) "Gubernatorial ticket" means a Governor–Lieutenant Governor unit.
17 18 19		"PRIVATE CONTRIBUTION" MEANS A CONTRIBUTION OR SERIES OF FIONS FROM AN INDIVIDUAL THAT DOES NOT EXCEED \$250 IN THE E FOR THE ELECTION CYCLE IN WHICH THE CONTRIBUTION IS MADE.
$\begin{array}{c} 20\\ 21 \end{array}$	[(g)] ( gubernatori	(I) "Public contribution" means money distributed from the Fund to a al ticket under this title.
$\begin{array}{c} 22\\ 23 \end{array}$	[(h) or more of tl	"Seed money" means cumulative eligible private contributions equaling 10% he expenditure limit prescribed under § 15–105 of this title for an election.
24	(i)	(1) "Treasurer" has the meaning stated in § 1–101 of this article.
25		(2) "Treasurer" includes a subtreasurer.]
26	15–103.	
27	(a)	There is a Fair Campaign Financing Fund.
28	(b)	The Comptroller shall administer the Fund in accordance with this section.
29	(c)	In accordance with this title, the Comptroller shall:

1	(1)	credit	t to the Fund:
2		(i)	all money collected <b>OR APPROPRIATED</b> under this title;
$\frac{3}{4}$	the State Board's	(ii) website	voluntary contributions to the Fund made electronically through e;
$5 \\ 6$	General Provision	(iii) ns Artic	fees, fines, and penalties assessed under this article or the le that are expressly allocated to the Fund by law;
7 8	this article;	(iv)	an anonymous contribution paid to the Fund under § 13–239 of
9 10	article;	(v)	an illegal contribution paid to the Fund under § 13–239.1 of this
$\frac{11}{12}$	article; and	(vi)	surplus campaign funds paid to the Fund under § $13–247$ of this
$\begin{array}{c} 13\\14\end{array}$	individual income	(vii) e tax ref	contributions to the Fund made through the checkoff on the turn established under § 2–113.1 of the Tax – General Article;
$\begin{array}{c} 15\\ 16 \end{array}$	(2) money in the Fun	-	ct to the usual investing procedures for State funds, invest the
17 18	(3) State Board.	make	e distributions from the Fund promptly on authorization by the
19	(d) The	Comptr	coller shall distribute public contributions:
20	(1)	only	on authorization of the State Board; and
21 22 23	(2) of a single campa <b>RECEIVE PUBLIC</b>	ign fina	each eligible gubernatorial ticket, to the [same] campaign account ince entity established under Title 13, Subtitle 2 of this article <b>TO</b> <b>PRIBUTIONS</b> .
$\begin{array}{c} 24 \\ 25 \end{array}$	· · /	-	coller shall submit a statement of the Fund's balance to the State d's request and on May 15 of each year] EACH MONTH.
26 27 28 29		EAR OI ETHER	OR BEFORE JUNE 30 OF THE THIRD YEAR IMMEDIATELY F A GUBERNATORIAL ELECTION, THE STATE BOARD SHALL THE BALANCE OF THE FUND IS SUFFICIENT TO PROVIDE FOR FOR:
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(I) IN A PRIMARY ELECTION, TWO GUBERNATORIAL TICKETS;

	6 HOUSE BILL 424
1	AND
2	(II) IN A GENERAL ELECTION, ONE GUBERNATORIAL TICKET.
$3 \\ 4 \\ 5$	(2) IF THE BALANCE OF THE FUND IS DETERMINED TO BE INSUFFICIENT TO PROVIDE THE PUBLIC CONTRIBUTIONS DESCRIBED UNDER PARAGRAPH (1) OF THIS SUBSECTION:
	(I) ON OR BEFORE AUGUST 1 OF THE THIRD YEAR IMMEDIATELY PRECEDING A YEAR OF A GUBERNATORIAL ELECTION, THE STATE BOARD SHALL SEND A NOTICE TO THE GOVERNOR OF THE AMOUNT OF MONEY NEEDED TO PROVIDE THE PUBLIC CONTRIBUTIONS DESCRIBED UNDER PARAGRAPH (1) OF THIS SUBSECTION; AND
11 12 13 14	(II) THE GOVERNOR SHALL INCLUDE IN THE ANNUAL BUDGET BILL FOR THE APPROPRIATE FISCAL YEAR AN APPROPRIATION IN AN AMOUNT EQUAL TO THE AMOUNT SUBMITTED TO THE GOVERNOR UNDER ITEM (I) OF THIS PARAGRAPH.
$\begin{array}{c} 15\\ 16\end{array}$	(3) FOR FISCAL YEAR 2023, THE GOVERNOR SHALL INCLUDE IN THE ANNUAL BUDGET BILL AN APPROPRIATION OF AT LEAST \$4,000,000 TO THE FUND.
17 18 19	[(f)] (G) To pay costs directly related to the administration of this title, the State Board may expend in each fiscal year an amount of money in the Fund that does not exceed the lesser of:
$\begin{array}{c} 20\\ 21 \end{array}$	(1) $3\%$ of the Fund's balance, as calculated on the last day of the immediately preceding fiscal year; or
22	(2) \$100,000.
23	[15–104.
$\begin{array}{c} 24 \\ 25 \end{array}$	A gubernatorial ticket is qualified to receive a public contribution for an election on the date specified by regulation adopted under this title if:
26	(1) the gubernatorial ticket has raised seed money;
$\begin{array}{c} 27\\ 28 \end{array}$	(2) the seed money is refundable only if the gubernatorial ticket withdraws as a gubernatorial ticket; and
29 30	(3) as certified by the gubernatorial ticket's treasurer on a campaign finance report, the seed money was:
31	(i) raised in accordance with this title; and

1 (ii) received after March 1 of the year immediately preceding the 2 year of that election.]

3 **15–104.** 

4 (A) BEFORE RECEIVING A PRIVATE CONTRIBUTION, A GUBERNATORIAL 5 TICKET SHALL:

6 (1) ON OR BEFORE THE DEADLINE TO FILE A CERTIFICATE OF 7 CANDIDACY UNDER § 13–303 OF THIS ARTICLE, FILE WITH THE STATE BOARD A 8 NOTICE OF INTENT TO PARTICIPATE AS A PUBLICLY FINANCED CANDIDATE FOR 9 BOTH THE PRIMARY AND GENERAL ELECTIONS; AND

10(2)ESTABLISH A CAMPAIGN FINANCE ENTITY FOR COMPLYING WITH11THE REQUIREMENTS OF THIS TITLE.

12 (B) (1) A CAMPAIGN FINANCE ENTITY ESTABLISHED UNDER SUBSECTION 13 (A)(2) OF THIS SECTION MAY ACCEPT ONLY:

14 (I) A PRIVATE CONTRIBUTION;

15 (II) AN ELIGIBLE PRIVATE CONTRIBUTION;

16 (III) A PUBLIC CONTRIBUTION; AND

17 (IV) SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION, A 18 CONTRIBUTION OR LOAN FROM A MEMBER OF A GUBERNATORIAL TICKET OR THE 19 SPOUSE OF A MEMBER OF THE GUBERNATORIAL TICKET.

20 (2) A MEMBER OF A GUBERNATORIAL TICKET OR THE SPOUSE OF A 21 MEMBER OF A GUBERNATORIAL TICKET MAY NOT MAKE A CONTRIBUTION OF OR 22 LEND A COMBINED TOTAL OF MORE THAN \$50,000 TO THE CAMPAIGN OF THE 23 GUBERNATORIAL TICKET.

24 (C) TO QUALIFY AS AN ELIGIBLE GUBERNATORIAL TICKET, A 25 GUBERNATORIAL TICKET SHALL COLLECT WITHIN THE QUALIFYING PERIOD AT 26 LEAST:

- 27 (1) 1,500 ELIGIBLE PRIVATE CONTRIBUTIONS; AND
- 28 (2) AN AGGREGATE TOTAL OF \$120,000.

29 **15–105.** 

1 (A) FOR PRINCIPAL POLITICAL PARTY CANDIDATES, THE QUALIFYING 2 PERIOD IS FROM THE FIRST DAY OF THE ELECTION CYCLE FOR A GUBERNATORIAL 3 ELECTION UNTIL THE FIRST MONDAY IN MAY, INCLUSIVE, OF THE ELECTION YEAR.

4 (B) FOR ALL OTHER PARTICIPATING CANDIDATES, THE QUALIFYING 5 PERIOD TO QUALIFY FOR ONLY THE GENERAL ELECTION IS FROM THE FIRST DAY OF 6 THE ELECTION CYCLE FOR A GUBERNATORIAL ELECTION UNTIL THE FIRST MONDAY 7 IN AUGUST, INCLUSIVE, OF THE ELECTION YEAR.

# 8 **[**15–104.1.**] 15–106.**

9 (a) After filing a notice of intent to qualify for a public contribution under this 10 title, a gubernatorial ticket or a person acting on behalf of the gubernatorial ticket may not, 11 for the benefit of any political committee or any person required to register with the State 12 Board under § 13–306 or § 13–307 of this article or for a participating organization 13 organized under § 13–309.2 of this article:

14 (1) solicit contributions, including the authorized use of the names or 15 images of the gubernatorial ticket in the solicitation; or

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(2) operate in coordination with any entity for fundraising activities.

17 (b) After filing a notice of intent to qualify for a public contribution under this 18 title, the members of a gubernatorial ticket may not be a member of a slate that does not 19 receive a public contribution.

(c) Until a final campaign finance report is filed with the State Board and any remaining funds of the public contribution distributed to a gubernatorial ticket are repaid to the Comptroller for redeposit in the Fund in accordance with [§ 15–107] § 15–109 of this subtitle, any authorized candidate campaign committee organized under Title 13 of this article on behalf of the members of a gubernatorial ticket may not engage in campaign finance activity.

26 [15-105.

(a) (1) A gubernatorial ticket that accepts a public contribution from the Fund
for an election may not spend, in that election, more than the product of 30 cents, adjusted
annually beginning January 1, 1997, in accordance with the Consumer Price Index, times
the population of the State as determined under subsection (c) of this section.

- 31 (2) Paragraph (1) of this subsection:
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- (i) applies separately to each primary and general election; and
- (ii) does not apply to expenditures made on behalf of a gubernatorial

The State Board shall certify the expenditure limit for each election in (b)accordance with subsection (a)(1) of this section. The population of the State shall be determined by the State Board as of (c) January 1 of the year of the election in accordance with the more recent of: the most recent decennial census of the United States; or (1)(2)any population estimate prepared for the State by the Maryland Department of Health. The members of the gubernatorial ticket and, if associated with the (d) expenditure, the responsible officers of its campaign finance entity are jointly and severally liable civilly and criminally for an expenditure made in violation of this section.] [15–106.] **15–107.** [(i)] In accordance with subsection (c) of this section AND (a) (1)**REGULATIONS ADOPTED BY THE STATE BOARD**, the State Board shall authorize distribution OF MONEY IN THE FUND on a continuing basis [of one-half of the money in

ticket by a State or local central committee.

the Fund to eligible gubernatorial tickets in the primary election] ON CERTIFICATION
 THAT THE QUALIFICATIONS UNDER § 15–104 OF THIS SUBTITLE HAVE BEEN MET.

18 [(ii)] (2) Distributions shall begin not [later than February] 19 EARLIER THAN JANUARY 1 of the year of the election.

20 [(2) Promptly after the primary election, the State Board shall authorize 21 distribution of the remaining money in the Fund in accordance with subsection (d) of this 22 section.]

(b) If the State Board determines that there is not, or may not be, sufficient money
in the Fund to provide a full public contribution to all eligible gubernatorial tickets [in a
primary or general election], the State Board shall allocate the available money so that
each eligible gubernatorial ticket in that election receives a proportionate share of the full
public contribution to which the gubernatorial ticket otherwise would be entitled.

28 (c) (1) The State Board shall authorize distribution of the money that is 29 designated for distribution [in the primary election] as provided in this subsection.

30 [(2) An eligible gubernatorial ticket that is opposed in the primary election 31 shall receive \$1 in public contributions for each \$1 in eligible private contributions it has 32 received.

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(3) An eligible gubernatorial ticket that is unopposed in the primary

1 election shall receive \$1 in public contributions for each \$3 in eligible private contributions2 it has received.]

3 (2) THE STATE BOARD SHALL DISTRIBUTE A PUBLIC CONTRIBUTION
 4 FROM THE FUND TO EACH GUBERNATORIAL TICKET DURING THE DISTRIBUTION
 5 PERIOD IN MATCHING DOLLARS EQUAL TO:

6 (I) \$9 FOR EACH DOLLAR OF AN ELIGIBLE PRIVATE 7 CONTRIBUTION RECEIVED FOR THE FIRST \$50 OF EACH ELIGIBLE PRIVATE 8 CONTRIBUTION;

9 (II) \$5 FOR EACH DOLLAR OF AN ELIGIBLE PRIVATE 10 CONTRIBUTION RECEIVED FOR THE SECOND \$50 OF EACH ELIGIBLE PRIVATE 11 CONTRIBUTION;

12(III) \$2 FOR EACH DOLLAR OF AN ELIGIBLE PRIVATE13CONTRIBUTION RECEIVED FOR THE THIRD \$50 OF EACH ELIGIBLE PRIVATE14CONTRIBUTION; AND

15 (IV) \$0 FOR EACH DOLLAR OF AN ELIGIBLE PRIVATE 16 CONTRIBUTION RECEIVED FOR THE REMAINING \$100 OF EACH ELIGIBLE PRIVATE 17 CONTRIBUTION.

18(3) THE TOTAL PUBLIC CONTRIBUTION PAYABLE TO A19GUBERNATORIAL TICKET FOR EITHER A PRIMARY OR GENERAL ELECTION MAY NOT20EXCEED \$3,000,000.

21(4)THE STATE BOARD MAY NOT DISTRIBUTE MATCHING DOLLARS22FROM THE FUND TO A GUBERNATORIAL TICKET FOR:

23(I)A CONTRIBUTION OR LOANS FROM THE GUBERNATORIAL24TICKET OR THE SPOUSE OF A MEMBER OF THE GUBERNATORIAL TICKET; OR

25(II) AN IN-KIND CONTRIBUTION OF PROPERTY, GOODS, OR26SERVICES.

# (5) A GUBERNATORIAL TICKET THAT IS UNOPPOSED IN A PRIMARY ELECTION SHALL RECEIVE ONE-THIRD OF THE PUBLIC CONTRIBUTION AMOUNT THE GUBERNATORIAL TICKET WOULD OTHERWISE BE ENTITLED TO RECEIVE.

30 **[**(d) (1) The State Board shall authorize distribution for the general election of 31 all money remaining in the Fund, including money remaining from the part designated for 32 the primary election, as provided in this subsection.

1 (2) Each eligible gubernatorial ticket that is a nominee shall receive an 2 equal share of the Fund.

3 (3) An eligible gubernatorial ticket may not receive a public contribution if 4 it is unopposed on the general election ballot.

5 (4) An eligible gubernatorial ticket that did not receive a public 6 contribution in the primary election may receive a public contribution in the general 7 election only if the gubernatorial ticket:

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(i) is a nominee in the general election; and

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did not exceed the expenditure limit for the primary election.

10 (5) The State Board shall authorize distribution of public contributions 11 promptly after the certification of primary election results.]

### 12 **15–108.**

(A) A GUBERNATORIAL TICKET MAY WITHDRAW FROM PARTICIPATION AS A
 PUBLICLY FUNDED CANDIDATE AT ANY TIME BEFORE A PUBLIC CONTRIBUTION IS
 RECEIVED BY THE GUBERNATORIAL TICKET'S CAMPAIGN FINANCE ENTITY.

16 **(B)** IF A PUBLIC CONTRIBUTION HAS BEEN RECEIVED BY AN ELIGIBLE 17 GUBERNATORIAL TICKET'S CAMPAIGN FINANCE ENTITY, THE ELIGIBLE CANDIDATE 18 MAY WITHDRAW FROM PARTICIPATING IF THE GUBERNATORIAL TICKET:

19(1) FILES A STATEMENT OF WITHDRAWAL ON A FORM PRESCRIBED BY20THE STATE BOARD; AND

21 (2) REPAYS TO THE FUND THE FULL AMOUNT OF ANY PUBLIC 22 CONTRIBUTION RECEIVED, WITH INTEREST ESTABLISHED IN REGULATION BY THE 23 STATE BOARD.

- 24 **[**15–107.**] 15–109.**
- 25 (a) A public contribution may be spent only:

(ii)

- 26 (1) in accordance with \$ 13-218 of this article;
- 27 (2) to further the gubernatorial ticket's nomination or election;

28 (3) for expenses incurred not later than [30] **45** days after the election for 29 which the public contribution was made; [and]

	12		HOUSE BILL 424
1		(4)	for purposes that do not violate State law; AND
2		(5)	FOR AN EXPENDITURE THAT IS ACCOMPANIED BY A RECEIPT.
3	(b)	An e	ligible gubernatorial ticket may not make:
4		(1)	a transfer; or
$5 \\ 6$	committee o	(2) organi	an expenditure relating to fundraising activity by any other political zed under this article.
7 8 9	-		Any part of a public contribution that is not spent shall be repaid to the redeposit in the Fund not later than [60] <b>90</b> days after the election for contribution was made.
$10 \\ 11 \\ 12$	-		In computing whether part of a public contribution is not spent, all ions to the gubernatorial ticket shall be treated as spent before the y of the public contribution.
$13 \\ 14 \\ 15 \\ 16 \\ 17$	severally pe	inance rsona blic ce	members of a gubernatorial ticket and the responsible officers of <b>[its] THE</b> e entity <b>THAT RECEIVED A PUBLIC CONTRIBUTION</b> are jointly and lly liable <b>CIVILLY AND CRIMINALLY</b> for repaying to the Comptroller any ontribution that is not spent or that was spent in violation of subsection
18	[15–108.] <b>1</b>	5–11(	).
$19 \\ 20 \\ 21$	(A) balance in the of this title.		7] EXCEPT AS PROVIDED IN SUBSECTION (B) OF THIS SECTION, ANY nd after a gubernatorial election shall remain in the Fund for the purposes
22 23 24 25 26	TO THE G AMOUNT N	(2) OF ENER NECES	GENERAL FUNDS ARE APPROPRIATED TO THE FUND UNDER § THIS SUBTITLE, THE STATE BOARD SHALL AUTHORIZE REPAYMENT AL FUND OF THE STATE OF THE AMOUNT THAT EXCEEDS THE SSARY TO PROVIDE FOR A FULL CONTRIBUTION FOR ELIGIBLE SCRIBED UNDER § 15–103(F)(1) OF THIS TITLE.
27	[15–109.] <b>1</b>	5–111	l.
$\begin{array}{c} 28\\ 29 \end{array}$	(a) title.	(1)	Subject to § 15–103 of this title, the State Board shall administer this
30 31	administer	(2) this ti	The State Board may request the assistance of the Comptroller to tle.
32	(b)	(1)	The State Board shall adopt comprehensive regulations to implement

1	this title.
2	(2) The regulations shall include provisions relating to:
$\frac{3}{4}$	(i) [the manner and deadline for a gubernatorial ticket to notify the State Board of its intention to qualify for a public contribution;
$5 \\ 6$	(ii)] the deadline for a gubernatorial ticket to submit a request for a public contribution;
7 8 9	[(iii)] (II) the dates when the State Board will authorize, and the Comptroller will make, distributions of public contributions to gubernatorial tickets in accordance with this title;
10 11	[(iv)] (III) a proportionate distribution when there is not, or may not be, sufficient money in the Fund;
$\frac{12}{13}$	[(v)] a formula for distributing a supplementary public contribution to the other eligible gubernatorial tickets if additional money becomes available because:
$\begin{array}{c} 14 \\ 15 \end{array}$	1. an eligible gubernatorial ticket fails to request a public contribution;
$\begin{array}{c} 16 \\ 17 \end{array}$	2. an eligible gubernatorial ticket withdraws as a gubernatorial ticket; or
18	3. an eligible gubernatorial ticket is disqualified;
19 20 21	(vi) the standards by which expenditures by campaign finance entities with which an eligible gubernatorial ticket is affiliated are applied to the expenditure limit prescribed in § 15–105 of this title;]
$\frac{22}{23}$	[(vii)] (IV) thresholds for in-kind contributions that are not considered contributions or expenditures for the purposes of this title;
24	[(viii)] (V) distributions to[:
25	1. an unopposed gubernatorial ticket;
$\frac{26}{27}$	2. a gubernatorial ticket composed of members from other than the two principal political parties; and
28	3.] a write–in gubernatorial ticket; and
29 30	[(ix)] (VI) the purposes for which a public contribution may not be used.

1 [15–110.] **15–112.** 

A person who violates this title is guilty of a misdemeanor and on conviction is subject to a fine not exceeding \$5,000 or imprisonment not exceeding 1 year or both for each violation.

5 **15–113.** 

6 (A) IN THIS SECTION, "PERSON" INCLUDES A POLITICAL COMMITTEE.

7 (B) (1) A PERSON WHO VIOLATES A PROVISION OF THIS TITLE WITHOUT 8 KNOWING THAT THE ACT IS ILLEGAL SHALL PAY A CIVIL PENALTY IN ACCORDANCE 9 WITH THIS SECTION.

10 (2) AN INFRACTION DESCRIBED IN PARAGRAPH (1) OF THIS 11 SUBSECTION IS A CIVIL OFFENSE.

12 (3) THIS SECTION DOES NOT APPLY TO A VIOLATION OF ANOTHER 13 SECTION IN WHICH A PENALTY IS EXPRESSLY PROVIDED.

14 (C) (1) THIS SUBSECTION APPLIES ONLY TO VIOLATIONS COMMITTED, AS 15 APPLICABLE, BY:

16 (I) THE ELIGIBLE GUBERNATORIAL TICKET;

17 (II) THE ELIGIBLE GUBERNATORIAL TICKET'S CAMPAIGN 18 FINANCE ENTITY;

19 (III) THE CHAIRMAN OF THE ELIGIBLE GUBERNATORIAL 20 TICKET'S CAMPAIGN FINANCE ENTITY;

21 (IV) THE TREASURER OF THE ELIGIBLE GUBERNATORIAL 22 TICKET'S CAMPAIGN FINANCE ENTITY; OR

(V) A PERSON ACTING ON BEHALF OF A PERSON LISTED IN ITEM
(I), (II), (III), OR (IV) OF THIS PARAGRAPH.

25 (2) THE STATE BOARD MAY IMPOSE A CIVIL PENALTY IN 26 ACCORDANCE WITH THIS SECTION FOR THE FOLLOWING VIOLATIONS:

27(I)MAKING A DISBURSEMENT IN A MANNER NOT AUTHORIZED28UNDER § 13–218(B)(2), (C), AND (D) OF THIS ARTICLE;

$\frac{1}{2}$	(II) FAILURE TO MAINTAIN A CAMPAIGN BANK ACCOUNT AS REQUIRED UNDER § 13–220(A) OF THIS ARTICLE;
$\frac{3}{4}$	(III) MAKING A DISBURSEMENT BY A METHOD NOT AUTHORIZED UNDER § 13–220(D) OF THIS ARTICLE;
5 6	(IV) FAILURE TO MAINTAIN DETAILED AND ACCURATE ACCOUNT BOOKS AND RECORDS AS REQUIRED UNDER § 13–221 OF THIS ARTICLE;
7 8	(V) FUND-RAISING DURING THE GENERAL ASSEMBLY SESSION IN A MANNER NOT AUTHORIZED IN § 13–235 OF THIS ARTICLE;
9 10	(VI) FAILURE TO REPORT ALL CONTRIBUTIONS RECEIVED AND EXPENDITURES MADE AS REQUIRED IN § 13–304(B) OF THIS ARTICLE;
$\frac{11}{12}$	(VII) FAILURE TO INCLUDE AN AUTHORITY LINE ON CAMPAIGN MATERIAL AS REQUIRED IN § $13-401$ of this article; or
$\begin{array}{c} 13\\14 \end{array}$	(VIII) FAILURE TO RETAIN A COPY OF CAMPAIGN MATERIAL AS REQUIRED IN § 13–403 OF THIS ARTICLE.
$\begin{array}{c} 15\\ 16\\ 17\end{array}$	(D) A CIVIL PENALTY IMPOSED UNDER THIS SECTION FOR A VIOLATION SPECIFIED IN SUBSECTION (C) OF THIS SECTION IS IN ADDITION TO ANY OTHER SANCTION PROVIDED BY LAW.
18 19 20 21	(E) (1) EXCEPT AS OTHERWISE PROVIDED IN THIS TITLE OR AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION, THE AMOUNT OF A CIVIL PENALTY IMPOSED UNDER THIS SECTION MAY NOT EXCEED \$1,000 FOR EACH VIOLATION.
$22 \\ 23 \\ 24$	(2) As to a violation of § 13–235 of this article, the campaign finance entity that receives a contribution as a result of a violation shall:
25	(I) <b>REFUND THE CONTRIBUTION TO THE CONTRIBUTOR; AND</b>
26 27 28	(II) PAY A CIVIL PENALTY THAT EQUALS \$1,000 PLUS THE AMOUNT OF THE CONTRIBUTION, UNLESS THE STATE BOARD AT ITS DISCRETION ASSESSES A LESSER PENALTY FOR GOOD CAUSE.
29 30 31	(F) THE CIVIL PENALTY IS PAYABLE TO THE STATE BOARD BY THE PERSON CHARGED IN A CITATION WITHIN 20 CALENDAR DAYS AFTER SERVICE OF THE CITATION.

1 (G) (1) SUBJECT TO PARAGRAPHS (2) AND (3) OF THIS SUBSECTION, A 2 CIVIL PENALTY IMPOSED UNDER THIS SECTION SHALL BE PAID BY THE CAMPAIGN 3 FINANCE ENTITY.

4 (2) IF THE CAMPAIGN FINANCE ENTITY HAS INSUFFICIENT FUNDS 5 WITH WHICH TO PAY THE FULL AMOUNT OF THE CIVIL PENALTY IN A TIMELY 6 MANNER, AFTER THE CAMPAIGN ACCOUNT OF THE FINANCE ENTITY IS EXHAUSTED 7 THE BALANCE OF THE CIVIL PENALTY IS THE JOINT AND SEVERAL LIABILITY OF THE 8 RESPONSIBLE OFFICERS.

9 (3) IF A VIOLATION IS COMMITTED BY A PERSON NOT ACTING ON 10 BEHALF OF, OR AT THE REQUEST OR SUGGESTION OF, A CANDIDATE OR A CAMPAIGN 11 FINANCE ENTITY, THE CIVIL PENALTY SHALL BE PAID BY THE PERSON WHO 12 COMMITTED THE VIOLATION.

(H) THE STATE BOARD MAY ISSUE A CITATION TO ANY PERSON THE STATE
 BOARD BELIEVES IS COMMITTING OR HAS COMMITTED A VIOLATION SPECIFIED IN
 SUBSECTION (C) OF THIS SECTION.

16 **(I)** THE CITATION SHALL BE SERVED ON THE DEFENDANT IN ACCORDANCE 17 WITH THE MARYLAND RULES.

18 (J) THE CITATION SHALL CONTAIN:

19 (1) THE CERTIFICATION BY THE STATE BOARD ATTESTING TO THE 20 TRUTH OF THE MATTER SET FORTH IN THE CITATION;

- 21 (2) THE NAME AND ADDRESS OF THE PERSON CHARGED;
- 22 (3) THE NATURE, TIME, AND PLACE OF THE VIOLATION;
- 23 (4) THE MANNER IN WHICH THE VIOLATION OCCURRED;
- 24 (5) THE AMOUNT OF THE PENALTY ASSESSED;
- 25 (6) THE MANNER, TIME, AND LOCATION TO PAY THE PENALTY;

26(7) A STATEMENT THAT THE PERSON RECEIVING THE CITATION HAS A27RIGHT TO TRIAL IN THE DISTRICT COURT; AND

28 **(8)** THE EFFECT OF FAILING TO PAY THE ASSESSED FINE OR OF 29 FAILING TO DEMAND A TRIAL WITHIN THE PRESCRIBED TIME. 1 (K) (1) A PERSON CHARGED IN A CITATION MAY ELECT TO STAND TRIAL 2 FOR THE VIOLATION BY NOTIFYING THE STATE BOARD IN WRITING OF THE 3 PERSON'S INTENT TO STAND TRIAL.

4 (2) THE WRITTEN NOTICE SHALL BE GIVEN AT LEAST 5 DAYS BEFORE 5 THE DATE OF PAYMENT AS SET FORTH IN THE CITATION.

6 (L) (1) ON RECEIPT OF THE WRITTEN NOTICE OF INTENT TO STAND 7 TRIAL, THE STATE BOARD SHALL FORWARD TO THE STATE PROSECUTOR A COPY OF 8 THE CITATION AND THE WRITTEN NOTICE.

9 (2) THE STATE PROSECUTOR SHALL FORWARD TO THE DISTRICT 10 COURT HAVING VENUE A COPY OF THE CITATION AND THE WRITTEN NOTICE.

11

(3) ON RECEIPT OF THE CITATION AND THE WRITTEN NOTICE:

12(I)THE STATE PROSECUTOR SHALL ASSUME RESPONSIBILITY13FOR PROSECUTING THE VIOLATION; AND

(II) THE DISTRICT COURT SHALL SCHEDULE THE CASE FOR
 TRIAL, NOTIFY THE DEFENDANT OF THE TRIAL DATE, AND SUMMON THE DEFENDANT
 TO APPEAR.

17 (M) (1) IF A PERSON CHARGED IN A CITATION FAILS TO PAY THE PENALTY 18 BY THE DATE OF PAYMENT SET FORTH IN THE CITATION AND FAILS TO DELIVER TO 19 THE STATE BOARD THE WRITTEN NOTICE OF INTENT TO STAND TRIAL, THE PERSON 20 IS LIABLE FOR THE ASSESSED PENALTY.

(2) THE STATE PROSECUTOR, ON BEHALF OF THE STATE BOARD,
 MAY DOUBLE THE PENALTY TO AN AMOUNT NOT TO EXCEED \$2,000 AND REQUEST
 ADJUDICATION OF THE CASE THROUGH THE DISTRICT COURT BY FILING A DEMAND
 FOR JUDGMENT ON AFFIDAVIT.

(N) THE DEFENDANT'S FAILURE TO RESPOND TO THE SUMMONS OF THE
DISTRICT COURT SHALL RESULT IN THE ENTRY OF JUDGMENT AGAINST THE
DEFENDANT IN FAVOR OF THE STATE BOARD IN THE AMOUNT SET FORTH IN THE
CITATION IF A PROPER DEMAND FOR JUDGMENT ON AFFIDAVIT HAS BEEN MADE.

29 (O) IF A PERSON IS FOUND BY THE DISTRICT COURT TO HAVE COMMITTED 30 A VIOLATION:

31 (1) (I) THE DISTRICT COURT SHALL ORDER THE PERSON TO PAY

2	PENALTY TO AN AMOUNT NOT TO EXCEED \$2,000;
3	(II) THE PENALTY IMPOSED SHALL CONSTITUTE A JUDGMENT IN
4	FAVOR OF THE STATE BOARD; AND
5	(III) IF THE PENALTY REMAINS UNPAID FOR 30 DAYS FOLLOWING
6	THE DATE OF ITS ENTRY, THE JUDGMENT SHALL BE ENFORCEABLE IN THE SAME
7	MANNER AND TO THE SAME EXTENT AS OTHER CIVIL JUDGMENTS FOR MONEY
$\frac{8}{9}$	UNLESS THE COURT HAS SUSPENDED OR DEFERRED PAYMENT OF THE PENALTY AS PROVIDED IN ITEM (2) OF THIS SUBSECTION;
9	PROVIDED IN HEM (2) OF THIS SUBSECTION,
10	(2) THE DISTRICT COURT MAY SUSPEND OR DEFER THE PAYMENT OF
11	ANY PENALTY UNDER CONDITIONS THAT THE COURT SETS;
12	(3) THE DEFENDANT SHALL BE LIABLE FOR THE COSTS OF THE
13	PROCEEDINGS IN THE DISTRICT COURT; AND
14	(4) THE DISTRICT COURT MAY ORDER THE PERSON TO ABATE THE
14 $15$	(4) THE DISTRICT COURT MAY ORDER THE PERSON TO ABATE THE VIOLATION.
10	VIOLATION.
16	(P) IF A DEFENDANT FAILS TO PAY ANY PENALTY OR COST IMPOSED BY THE
17	DISTRICT COURT WITHOUT GOOD CAUSE, THE DISTRICT COURT MAY PUNISH THE
18	FAILURE AS CONTEMPT OF COURT.
19	(Q) ADJUDICATION OF A VIOLATION UNDER THIS SECTION:
20	(1) IS NOT A CRIMINAL CONVICTION; AND
20	
21	(2) DOES NOT IMPOSE ANY OF THE CIVIL DISABILITIES THAT ARISE
22	FROM A CRIMINAL CONVICTION.
23	(R) IN A DISTRICT COURT PROCEEDING RELATING TO A VIOLATION UNDER
24	THIS SECTION:
25	(1) THE STATE PROSECUTOR HAS THE BURDEN TO PROVE THAT THE
$\frac{20}{26}$	DEFENDANT HAS COMMITTED THE VIOLATION BY CLEAR AND CONVINCING
$\frac{20}{27}$	EVIDENCE;
	· - <b>/</b>
28	(2) THE DISTRICT COURT SHALL APPLY THE EVIDENTIARY
29	STANDARDS AS PROVIDED BY LAW OR RULE FOR THE TRIAL OF CIVIL CAUSES;
30	(3) THE DISTRICT COURT SHALL ENSURE THAT THE DEFENDANT HAS

THE PENALTY SET FORTH IN THE CITATION AND MAY DOUBLE THE AMOUNT OF THE

18

1 RECEIVED A COPY OF THE CHARGES AGAINST THE DEFENDANT AND THAT THE 2 DEFENDANT UNDERSTANDS THOSE CHARGES;

3 (4) THE DEFENDANT MAY CROSS-EXAMINE ALL WITNESSES WHO 4 APPEAR AGAINST THE DEFENDANT, PRODUCE EVIDENCE OR WITNESSES IN THE 5 DEFENDANT'S OWN BEHALF, OR TESTIFY IN THE DEFENDANT'S OWN BEHALF;

6 (5) THE DEFENDANT SHALL BE ENTITLED TO BE REPRESENTED BY 7 COUNSEL OF THE DEFENDANT'S OWN SELECTION AND AT THE DEFENDANT'S OWN 8 EXPENSE;

9 (6) THE DEFENDANT MAY ENTER A PLEA OF GUILTY OR NOT GUILTY 10 OF THE VIOLATION AS CHARGED; AND

(7) THE VERDICT OF THE DISTRICT COURT SHALL BE GUILTY OF A
 VIOLATION OR NOT GUILTY OF A VIOLATION, OR THE DISTRICT COURT MAY, BEFORE
 RENDERING JUDGMENT, PLACE THE DEFENDANT ON PROBATION.

14 (S) PENALTIES COLLECTED UNDER THIS SECTION SHALL BE DISTRIBUTED 15 TO THE FAIR CAMPAIGN FINANCING FUND ESTABLISHED UNDER § 15–103 OF THIS 16 TITLE.

17 [15–111.] **15–114.** 

18 This title is the Public Financing Act.

19 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June20 1, 2021.